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Warehouse regulations

Washington

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TREASURY DEPARTMENT
DIVISION OF CUSTOMS

WAREHOUSE REGULATIONS

REPRINT OF PAGES 437–469, CHAPTER XVII, OF
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AS AMENDED

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CHAPTER XVII.

BONDED WAREHOUSES AND CONTROL OF MERCHANDISE THEREIN.

Art.
828. General provisions.
829. Public stores and bonded warehouses—Classes 1 to 8.
830. Superintendent of warehouses.

STORAGE-MANIPULATION WAREHOUSES.

830½. Application—Entry—Manipulation—Withdrawal.

STORAGE WAREHOUSES.

831. Application to bond.
832. Execution of bond.
833. Bond—Renewal of.
834. New bond—When necessary.
835. Alterations.
836. Suspension.
837. Discontinuance.
838. Offices.
839. Fires, lights, and locks.
840. Posting of rules.
841. Storekeeper—Compensation of.
842. Duties of storekeeper.
843. Permits—Delivery.
844. Expenses of labor and storage.
845. Storage charges.
846. Examination of goods by importer—Sampling—Repacking.
847. Transfer to another warehouse.
848. Examination packages.
849. Proprietor responsible for goods.
850. Control of merchandise in bonded warehouse.

LIENS FOR FREIGHT.

851. Liens for freight—Charges—Contributions in general average.
852. Filing and recording of notice.
853. Duty of collector.
854. Contribution in general average—Preliminary notice.
855. Lien on immediate transportation goods.
856. Discharge of lien.
857. Freight—Charges—Contribution in general average—Defined.

LIENS FOR FREIGHT—con.

Art.
858. Settlement of disputes.
859. Litigation—Bond of indemnity.
860. Stoppage in transitu.

ACCOUNTS.

861. Warehousing and rewarehousing bond—Warehouse ledger.
862. Storekeeper's record of receipts and deliveries.
863. Inventories.
864. Record of unclaimed goods.

MANUFACTURING WAREHOUSES.

865. Character—Location—Use.
866. Application to establish.
867. Bond.
868. Formulas.
849. Storage of duitable or taxable goods.
870. Access—Samples.
871. Conveyance and transfer of materials.
872. Transfer from vessel to warehouse.
873. Transportation—Rewarehousing.
874. Application to transfer.
875. Withdrawal for transfer.
876. Manufacturer's bond—Transfer.
877. Cancellation of bond.
878. Transfer order.
879. Transfer—Permit to receive.
880. Free materials—Application to receive.
881. Transfer of domestic spirits.
882. Withdrawal for exportation of articles manufactured in bond.
883. Withdrawal of waste or by-products for consumption.
884. Direct exportation—Withdrawal for.
885. Transfer to bonded warehouse for exportation.
886. Bonded routes to be indicated—Consignment to collector.
887. Transportation and exportation.
888. Permit—Lading.
889. Proof of exportation.
890. Cancellation of manufacturer's bond—Domestic spirits.

CIGAR-MANUFACTURING WAREHOUSES.

Art.
891. Manufacture and withdrawal for consumption.
892. Customs cigar stamps.
893. Cancellation of customs and internal-revenue stamps.
894. Caution notice.
895. Transfer of scraps, cuttings, and clippings of tobacco.

SMELTING AND REFINING WAREHOUSES.

896. Application to establish—Bond.
897. Renewal of bond.
898. Discontinuance.
899. Additions or deductions of bonded premises.
900. Entry for warehouse and transportation.
901. Procedure at destination.
902. Bonded ores or metals to be kept separate from nonbonded—Sampling and assaying of ores.
903. Allowance for moisture.
904. Sampling and assaying of crude metals.

SMELTING AND REFINING OF LEAD.

905. Allowance for wastage—Withdrawal for consumption.
906. Manufacturers' statements.

SMELTING AND REFINING OF LEAD—con.

Art.
907. Withdrawal for direct exportation.
908. Exportation from another port.
909. Withdrawal for transfer to bonded customs warehouse or bonded manufacturing warehouse at the same port.
910. Withdrawal of refined lead for transportation to bonded customs warehouse or bonded manufacturing warehouse at another port.
911. Smelting and refining in separate establishments.
912. Withdrawal of lead refined in part from imported base bullion and bullion produced from imported ores.
913. Affidavits of manufacturers as to dutiable metals entirely lost.
914. Withdrawal for exportation from one port to be credited on warehouse ledger account at another port.

SMELTING OF ZINC IN BOND.

915. Application of lead regulations—Allowance for wastage.
916. Recovery of lead, zinc, and other dutiable metals.
917. Entries, records, and accounts.

Tariff act of 1922, secs. 555, 556, 560.
T. D. 39361.

Art. 828. General provisions.—The Secretary of the Treasury will from time to time make rules and regulations for the establishment of bonded warehouses and to protect the interests of the Government in the conduct, management, and operation thereof, and in the withdrawal of and accounting for merchandise deposited therein.

The Secretary of the Treasury may cause to be set aside any available space in a building used as a customhouse for the storage of bonded merchandise, or may lease premises for the storage of unclaimed merchandise or other imported merchandise required to be stored by the Government, and set aside a portion of such leased premises for the storage of bonded merchandise.

No part of any premises owned or leased by the Government may be used for the storage of bonded merchandise at any port at which a public bonded warehouse has been established and is in operation.

All the premises so leased shall be leased on public account and the storage and other charges shall be

deposited and accounted for as customs receipts, and the rates therefor shall not be less than the charges for storage and similar services made at such port of entry by commercial concerns for the storage and handling of merchandise.

No collector or other officer of the customs shall own, in whole or in part, any bonded warehouse or enter into any contract or agreement for the lease or use of any building to be thereafter erected as a public store or warehouse.

No lease of any building to be so used shall be taken for a longer period than three years, nor shall rent for any such premises be paid, in whole or in part, in advance.

Tariff act of 1922, sec. 562.

Unless by special authority of the Secretary of the Treasury, no merchandise shall be withdrawn from bonded warehouse in less quantity than an entire bale, cask, box, or other package; or, if in bulk, in the entire quantity imported or in a quantity not less than one ton weight. All merchandise so withdrawn shall be withdrawn in the original packages in which imported unless, upon the application of the importer, it appears to the collector that it is necessary to the safety or preservation of the merchandise to repack or transfer the same.

Tariff act of 1922, sec. 561.

Art. 829. Public stores and bonded warehouses—Classes 1 to 8.—CLASS 1. Premises owned or leased by the Government and used for the storage of merchandise undergoing examination by the appraiser, under seizure or pending final release from customs custody, shall be known as a "public store." Unclaimed merchandise stored in such premises shall be held under "general order." Where such premises are not sufficient or available for the storage of seized and unclaimed goods, such goods may be stored in a warehouse of class 3. If there be no warehouse of that class, the collector may, with the approval of the department, rent suitable premises for the storage of seized and unclaimed goods.

Sec. 555.

CLASS 2. Importers' private bonded warehouses used exclusively for the storage of merchandise belonging or consigned to the proprietor thereof.

CLASS 3. Public bonded warehouses used exclusively for the storage of imported merchandise generally.

A warehouse of this class shall consist of an entire building, or a part of a building entirely separated from the rest of the building by suitable partitions or walls.

CLASS 4. Bonded yards or sheds for the storage of heavy and bulky imported merchandise.

Warehouses of this class shall be used exclusively for the storage of heavy and bulky articles. The yards must be inclosed by substantial fences, not less than 12 feet in height, with entrance gates capable of being secured by customs locks.

The collectors may send to such yards unclaimed or seized goods of a character above described.

Stables or parts thereof may be bonded upon approval of the department for the storage of animals.

CLASS 5. Bonded bins or parts of buildings or of elevators to be used for the storage of grain. The bonded portions must be separate from the rest of the building.

Warehouses of class 4 or 5 may be bonded exclusively for the storage of goods imported by the proprietor thereof, in which case they will be designated as "importers' private warehouses."

CLASS 6. Warehouses for the manufacture in bond, solely for exportation, of articles made in whole or in part of imported materials or of materials subject to internal-revenue tax; and for the manufacture for home consumption or exportation of cigars in whole of tobacco imported from one country.

Tariff act of 1922, sec. 311.

CLASS 7. Warehouses bonded for smelting and refining imported ores and crude metals for exportation or domestic consumption.

Sec. 312.

CLASS 8. Bonded warehouses established for the purpose of cleaning, sorting, repacking, or otherwise changing in condition, but not manufacturing, imported merchandise, under customs supervision and at the expense of the proprietor. (See art. 830½.)

Secs. 555, 562. T. D. 36627.

Such merchandise may be withdrawn for exportation, without payment of the duties, or for consumption upon the payment of duties accruing thereon in its condition at time of withdrawal. The scouring or carbonizing of wool in such bonded warehouse shall not be considered a process of manufacture.

Art. 830. Superintendent of warehouses. A customs officer will be designated as superintendent of warehouses at ports where the business may require such an officer, whose duty it shall be to supervise the proceedings at the several bonded warehouses by visiting each of them frequently in order to insure the promptness and efficiency of the storekeepers, the accuracy of the books and reports, and the observance of all official orders and regulations. He will promptly report to the collector any irregularities which may occur.

He will carefully note the condition of the warehouses as regards cleanliness and safety, and will see that merchandise is properly and conveniently stored.

STORAGE-MANIPULATION WAREHOUSES.

Art. 830½. Application—Entry—Manipulation—Withdrawal.

1. APPLICATION.

T. D. 41038.

(*a*) *Entire building—Part of building.*—A storage-manipulation warehouse of class 8 may consist of an entire building or part of a building. In order that the identity of manipulated merchandise may be preserved, the space or spaces must be designated and separated from the remainder of the building.

Application for the establishment of such warehouse should be made in the manner outlined in article 831, Customs Regulations of 1923.

(*b*) *Bond.*—The bond shall be executed in duplicate on Customs Form 3581. Pending the amendment of Form 3581 to meet conditions governing manipulation warehouses, it should be modified to correspond to the conditions of the application.

(*c*) *Report of collector.*—After examination of the premises and report of the examining officer the collector will forward to the department the application, bond, and accompanying papers, with his recommendation thereon.

(*d*) *Storekeepers.*—One storekeeper must be in constant attendance while the warehouse is open, or during manipulation or transfer of merchandise to or from manipulating space. When two or more manipulations are carried on simultaneously, such additional storekeepers will be detailed as the collector of customs deems necessary. The salary of the storekeepers shall be reimbursed to the Government.

2. ENTRY.

(*a*) *Manipulation warehouse direct.*—Merchandise may be entered for and sent direct to a storage-manipulation warehouse under the same procedure followed in the case of warehouses of class 2 or 3.

(*b*) *Warehouse and transfer.*—Merchandise entered for warehouse may be transferred therefrom to manipulation warehouse; or merchandise entered for storage-manipulation warehouse may be transferred therefrom, after manipulation, to the storage portion of the same warehouse, to another storage warehouse, or to a manufacturing warehouse of class 6.

3. MANIPULATION.

(*a*) *Application and permit.*—Application to manipulate should be made in duplicate on Customs Form 3499 to the collector of customs having jurisdiction of the manipulation warehouse. When satisfied that the contemplated manipulation comes within the provisions of section 562 of the tariff act, the collector will issue permit (Customs Form 3499), making any necessary modifications in such form.

(*b*) *Reference to the department.*—Should the collector be in doubt as to whether or not the manipulation for which application has been made comes within the provisions of section 562, supra, he will refer the application to the department for decision and await instructions.

(*c*) *Report of manipulation.*—When goods are repacked the storekeeper will report on the back of the permit the marks and numbers of the original packages, and the marks and numbers of the packages after repacking; and the storekeeper, weigher, or gauger will report the weights or gauge of the merchandise after manipulation. In the case of wool scoured in manipulation warehouse, the weight of the wool in its scoured condition should be ascertained at the time of withdrawal.

(*d*) *Merchandise of but one importer allowed in manipulation space at one time.*—Merchandise belonging to but one importer should be in a designated manipulation space at one time. In cases where the collector shall be satisfied that no confusion in the records would result and that the customs revenues would at all times be properly guarded, exception may be made to this rule.

4. WITHDRAWAL.

(*a*) *For export.*—Manipulated merchandise may be withdrawn in whole or in part for exportation without payment of duties, in the same manner as from class 2 or 3 storage warehouse.

(*b*) *For consumption — Appraisement.* — Manipulated merchandise may be withdrawn in whole or in part for consumption upon payment of the duties accruing thereon in its condition at the time of withdrawal.

Upon withdrawal of manipulated merchandise for consumption, if the value or classification has been changed by the manipulation, the collector will cause an appraisement thereof to be made and such merchandise will be classified and duties assessed in accordance with its value and condition at the time of withdrawal, the basis of the appraisement to be the foreign market value of such or similar merchandise on the date of the exportation of the manipulated merchandise.

After repacking or manipulation not less than one entire package may be withdrawn either for consumption or exportation, i. e., all the merchandise represented by one original package must be withdrawn either for consumption or exportation. Applications for waiving this regulation should be forwarded to the department for approval.

STORAGE WAREHOUSES.

Tariff act of 1922, secs. 555, 562.

Art. 831. Application to bond.—In order to establish a bonded warehouse the owner or lessee shall make application in writing to the collector, describing the premises and location and stating the class of warehouse.

T. Ds. 38647, 38637.

The application must be accompanied by a certificate signed by the president or secretary of a board of fire underwriters, where such board exists, and at other ports by the officers or agents of two or more insurance companies, stating that the building is a suitable warehouse, acceptable for fire-insurance purposes.

After the collector has examined or caused an examination to be made of the premises he will transmit to the department with his recommendation the application, the insurance certificates, and a report stating the particulars relative to the location, construction, and dimensions of the building, its suitability for the storing of merchandise, whether the building is detached or adjoins other buildings, the location of doors, and all other material facts.

The collector will also state whether or not, in his opinion, the business of the port requires the establishment of such warehouse.

T. Ds. 24554, 38653.

Art. 832. Execution of bond.—On approval of the application to bond storage warehouses, classes 2, 3, 4, and 5, a bond shall be executed on Customs Form 3581 in such penalty and with such security as the collector may deem proper and forwarded to the department for approval. Bonds may be executed in anticipation of approval and transmitted with the application. All storage warehouses, in a customs district operated by one proprietor may be included in one bond. The penalty on the bond shall not be less than $5,000 on each of the premises, with a maximum penalty on all premises covered by the bond of $50,000. This amount may be increased by the collector if, in his opinion, additional security is necessary. Collectors must see that the bond is in proper form and that instructions printed thereon are observed.

Art. 833. Bond—Renewal of.—The proprietors or occupants of bonded warehouses may be required on 10 days' notice from the collector to renew their bonds; and if

they fail so to do, no more goods shall be sent to their warehouses, and those therein shall be removed at their expense.

Art. 834. New bond—When necessary.—The collector will promptly notify the Secretary of the Treasury of the death, pecuniary embarrassment, insolvency, or change of status of any of the parties to the bond, or of any circumstances which require a new bond.

If a bonded warehouse is destroyed and rebuilt, a new bond will be required.

The collector will advise the department of all changes of the surroundings of bonded premises likely to affect their security.

Art. 835. Alterations.—Alterations in bonded warehouses can be made only by permission of the collector and, if constituting a material change in the premises, the approval of the Secretary of the Treasury is required.

Art. 836. Suspension.—The use of a bonded warehouse may be temporarily suspended by the collector on application of the proprietor, provided there are no bonded goods therein. Upon the removal of all free goods, if any, the premises may again be used for the storage of bonded goods. Rebonding will not be necessary.

Art. 837. Discontinuance.—The department may discontinue a bonded warehouse at any time for reasonable cause.

When the proprietor desires to discontinue his bonded warehouse he shall make written application therefor to the collector. If the application be approved by the collector, he will cause all goods upon which the duty has not been paid to be transferred to another bonded warehouse without expense to the Government. An inventory of all goods so transferred from the warehouse to be discontinued shall be made and compared with the accounts of the warehouse and the records of the customhouse.

The collector will transmit the application to the department with his report and recommendation and will retain custody of the premises until he is notified of the department's approval of the application.

T. D. 38652. The number of warehouses covered by a general bond may be reduced by discontinuance without necessitating a new bond unless the proprietor desires otherwise.

Art. 838. Offices.—Suitable and confortable accommodations for the storekeeper shall be provided by the proprietor of the warehouse.

An office for the accommodation of the warehouseman may be allowed in the bonded premises if separated by a partition from the space used for the storage of bonded goods.

Art. 839. Fires, lights, and locks.—Fires shall not be permitted in any warehouse, except in the office of the storekeeper and warehouseman, and where lights are required, only safety lanterns or electric lights shall be used.

All the doors and other fastenings of bonded warehouses must be secured by customs locks of different pattern from those of the warehouseman.

Art. 840. Posting of rules.—Collectors will cause all rules and regulations relating to the management of bonded warehouses to be posted in a conspicuous place in every warehouse.

Art. 841. Storekeeper—Compensation of.—The collector will, when necessary, designate an employee to act as storekeeper of each bonded warehouse or public store. If required, more than one may be designated. The expense of maintaining storekeepers in bonded warehouses of classes 2, 3, 4, and 5 shall be at the rate of 75 cents an hour, the total charges for any one day not to exceed the per diem compensation of the officer with a minimum charge of 75 cents for each visit. The amount collectible shall not be less than the pro rata per diem compensation of the officer; the charge to be made from the time the officer leaves his station and returns thereto. Tariff act of 1922, sec. 555. T. Ds. 12091, 37374 (Q. 83), 39797.

If any storekeeper has charge of more than one warehouse, the expense shall be equitably apportioned among the respective warehousemen.

Upon the failure of the warehouseman to pay such expenses when due, or to comply with the laws and regulations applicable to bonded warehouses, the collector shall refuse entry of merchandise for such warehouse and report the facts to the department.

Art. 842. Duties of storekeeper.—Storekeepers must keep the keys to customs locks in their possession, and personally open and lock the warehouses. With the exception of one hour for lunch, storekeepers will be in constant attendance from 8 o'clock a. m. to 5 p. m., or while the warehouse is open. Collectors may extend these hours when deemed advisable. T. D. 38288.

All goods will be received and delivered by storekeepers or under their supervision.

The storekeeper shall supervise all examinations, sampling, recoopering, and repacking of merchandise that may be done in a bonded warehouse. He shall keep a correct account of all goods received, delivered, transferred, examined, sampled, recoopered, or repacked. He shall make daily returns of all goods received and delivered, and report to the collector any violation of the warehouse regulations by the warehouseman.

Storekeepers in charge of stores of class 1 will keep accounts of all labor performed therein, and in their returns certify the nature and amounts of such charges. They will also keep pay rolls of all persons employed in such stores. They will not be permitted to receive any reward or gratuity from any source in addition to their pay from the United States.

R. S. 2626. Tariff act of 1922, sec. 523.

Art. 843. Permits—Delivery.—Goods shall not be delivered from bonded warehouses except upon presentation of a permit to the storekeeper signed by the collector and the comptroller of customs, if one be located at the port. Permits must be indorsed to show that storage, cartage, labor, and other charges due the Government have been paid before delivery will be made.

Merchandise entered for warehouse upon which the duty has been paid, if remaining in store at the expiration of the bonded period, shall be delivered by the storekeeper to the warehouseman, except as provided in article 922. If the permits issued have not been presented to the storekeeper at or before the expiration of the bonded period, the collector should inform the storekeeper of the payment of the duties and direct delivery to the warehouseman. Merchandise not entered for warehouse upon which the duties have been paid, if remaining in store for a period of 60 days after the payment of the duty, will be likewise delivered to the warehouseman.

Tariff act of 1922, sec. 560. T. Ds. 22345, 24894, 28306

Art. 844. Expenses of labor and storage.—All merchandise deposited in general-order stores or in bonded warehouses shall be held liable for the expenses of labor and storage chargeable thereon at the customary rates and for all other expenses accruing upon the goods.

The rates of storage and labor shall be agreed upon between the importer and the warehouse proprietor, but in case of disagreement the collector may, with the consent of all parties in interest, determine the rates to be charged.

Art. 845. Storage charges.—When merchandise is stored in a public store under warehouse entry, general order, or otherwise, the charges for storage due the Government must be collected before the packages are delivered therefrom.

Tariff act of 1922, secs. 557, 562.

Art. 846. Examination of goods by importer—Sampling—Repacking.—Importers may, upon application approved by the collector, examine, sample and repack (for preservation only) merchandise in bonded warehouse under the supervision of the storekeeper.

T. D. 38536.

Art. 847. Transfer to another warehouse.—Merchandise may be transferred from one bonded warehouse to another in the same port on the written request of the owner or importer to the collector, who will issue an order, Customs Form 7500-A, directing the removal of the merchandise under customs supervision at the risk and expense of the party requesting it.

All charges must be paid before goods are transferred from a warehouse of class 1.

Art. 848. Examination packages.—Merchandise sent from a bonded warehouse to the appraiser's stores for examination shall be returned by the collector to the warehouse for delivery unless the warehouseman shall indorse on the duty-paid permit that his charges have been paid.

T. D. 24118.

Art. 849. Proprietor responsible for goods.—The warehouseman is responsible for the safe-keeping of the goods stored in any bonded warehouse, the Government being concerned solely in the security of the revenue.

R. S. 934. T. Ds. 16693, 16886, 17158, 17720, 19340.

Art. 850. Control of merchandise in bonded warehouse.—Merchandise in bonded warehouse is subject only to the orders and decrees of the United States courts. It is not subject to levy, attachment, or other process of a State court, and collectors can not be enjoined by State courts from delivering such merchandise to importers or their assigns.

T. Ds. 16545, 19242, 19378, 19813.

The Government will not compel a warehouseman to deliver bonded goods, as the interest of the Government is in the collection of the duty on the merchandise or its exportation, and any question of infringement of private rights by the warehouseman must be left to parties in interest.

Low v. Austin, 13 Wallace, 29; Clarke v. Clarke, 3 Woods, 408.

Imported goods in bonded warehouse are exempt from taxation under the general laws of the several States.

Blount v. Munroe, 60 Ga. 61; State v. Pinckney, 10 Rich. L. 474. T. D. 21158.

LIENS FOR FREIGHT.

Act May 21, 1896. Tariff act of 1922, sec. 564. Wyman v. Lancaster, 32 Fed. Rep. 720. T. Ds. 17444, 23412, 24431, 25122, 35262 (Q. 39), 37493.

Art. 851. Liens for freight—Charges—Contributions in general average.—Carriers of imported merchandise which is taken possession of by the collector of customs as unclaimed, under seizure, for examination and appraisement, for transportation in bond, or under warehouse entry, may file notice of liens with the collector for freight, charges, or contributions in general average upon said merchandise, describing it by marks, numbers, or brands on the several packages, stating the bonded warehouse or other place where such merchandise is stored or deposited, the name of the owner, importer, or consignee, vessel, or common carrier, the date of arrival and the amount claimed, specifying whether for freight, charges, or contributions in general average. Such notice shall be signed by the carrier or his authorized agent, and verified by affidavit on Customs Form 3485. The cost of goods or any part thereof can not be included in such liens.

T. Ds. 22610, 22683.

If merchandise subject to a lien, regarding which notice has been filed shall be forfeited, or shall remain in warehouse more than three years or under general order more than one year and is sold or abandoned or destroyed while in bond, the freight, charges, or contributions in general average due thereon shall be paid from the proceeds of sale in the same manner as other charges and expenses authorized by law to be paid therefrom are paid.

The rights of the United States shall not be prejudiced or affected by the filing of such lien, nor shall the United States or its officers be liable for losses or damages consequent upon such refusal to permit delivery.

Art. 852. Filing and recording of notice.—Every such notice shall be filed with the collector, numbered, and entered in a record book, Customs Form 5213, in which shall also be noted the date of discharge of the lien.

Liens can not be filed against goods after sale by the Government.

T. Ds. 5866, 37919.

Art. 853. Duty of collector.—When a notice of lien has been filed the collector shall decline to deliver to the importer, owner, or consignee any of the merchandise then in customs custody and specified in the notice until the lien shall have been satisfied or discharged.

When delivery permits have been issued prior to the filing of the notice of lien, such notice should be returned with a statement that the goods have been released from customs custody.

Art. 854. Contribution in general average—Preliminary notice.—When the cargo of a vessel is subject to contribution in general average a preliminary notice thereof may be filed with the collector and individual notices of lien may be filed thereafter.

The collector shall thereupon withhold delivery of any merchandise imported in the vessel for two official days from and after the taking of such merchandise in customs custody, unless proof is submitted that the claim for contribution under general average has been paid or secured.

Art. 855. Lien on immediate transportation goods.—Notice of lien upon goods entered for immediate transportation should be filed by the carrier with the collector of customs at destination. If such notice, however, be filed with the collector at the port of first arrival he will promptly transmit it to the collector at destination. When a notice of lien has been transmitted to the collector at destination and such lien afterwards is discharged at the port of first arrival the collector at such port will immediately notify the collector at destination.

Merchandise subject to a lien arriving under an immediate transportation entry for which immediate delivery is required may be released by the collector upon the deposit of a certified check or postal money order in a sum equal to the charges covered by the lien. The check or postal money order will be indorsed and returned to the importer on receipt of a notice of discharge of the lien. Otherwise customs officers shall not collect or receive the freight, charges, or contributions in general average covered by such liens.

Art. 856. Discharge of lien.—Proof that the claim under the lien has been paid or secured shall consist of a release in writing signed by the claimant, or a written receipt of such claimant, filed with the collector, showing the payment of the claim in full. Merchandise covered by liens will be released for delivery upon the filing of the above evidence of payment.

Art. 857. Freight—Charges—Contribution in general average—Defined.—The term "freight" is held to be the freight charged for the ocean transportation of the goods and the inland freight charged for delivering to an interior port goods covered by through bills of lading for such ports.

T. Ds. 22610, 22683, 24431.

The charges specified therein are the charges incident to the shipment of the goods abroad, including foreign inland freight, together with any charges assumed by the claimant of the lien in forwarding the same to port of destination in the United States, but do not include the purchase price, whether advanced or to be collected, nor other claims not connected with the carriage of the merchandise.

Sansom v. Ball (Pa.), 4 Dall. 459.

General average has been defined to be the liability to contribution of the owners of a cargo, which arises when a sacrifice of a part of such cargo has been made for the preservation of the residue or when money is expended to preserve the whole. It always arises from actions produced by necessity.

Art. 858. Settlement of disputes.—Collectors have no authority to adjudicate disputes respecting the validity of any lien, except that whenever the amount of such lien depends upon the quantity or weight of merchandise actually landed, the collector may hold that the lien may be satisfied upon the payment of an amount computed upon the basis of the return made by the United States appraiser, weigher, or gauger.

T. D. 23412.

Art. 859. Litigation—Bond of indemnity.—Where there is a controversy between the consignee and the carrier respecting the validity of a lien, collectors may deliver imported merchandise to the consignee, against which a notice of lien has been filed, upon the deposit with the collector by the consignee of a bond conditioned for the payment of charges that may ultimately be found to be due or adjudged to be due in any court of competent jurisdiction. Before the acceptance of such bond it must be shown to the satisfaction of the collector that the bond is adequate to secure the claim of the carrier, and that it was tendered by the consignee to the carrier and refused.

Collectors may, in addition, when deemed necessary for their security, exact a bond of indemnity running to themselves to save them harmless from any personal liability which might accrue as the result of any litigation between the consignee and the carrier.

T. D. 31783.

Art. 860. Stoppage in transitu.—Revoked. (See T. D. 40904.)

ACCOUNTS.

T. Ds. 33227, p. 322; 37246, 37374, 38788.

Art. 861. Warehousing and rewarehousing bond—Warehouse ledger.—When a warehouse or rewarehouse entry has been completed bond will be given on Customs Form 7555. A record will be made in the ledger of the merchandise entered, received in warehouse, withdrawn, and delivered.

Warehouse bonds and exportation and transportation bonds will bear the same number as the entry. The warehouse bond number will be noted on all withdrawals; and if withdrawn for export or transportation, the number of the exportation or transportation bond will also be noted thereon.

When the entry is liquidated any change in the total liquidated duty will be noted on the warehouse ledger. Any changes in the value, quantity, rate, or duty affecting the packages remaining in warehouse at the time of liquidation will be noted in detail for the purpose of future withdrawals.

T. Ds. 33227, p. 323; 38785, 39021.

Art. 862. Storekeeper's record of receipts and deliveries.—Storekeepers in charge of warehouses will keep an account of receipts and deliveries of all goods on Customs Form 5209. An index may be kept to this record, alphabetically arranged by the names of vessels or common carriers and date of arrival.

In this account the record of receipts must be in detail, specifying each package when necessary. When a delivery is made it shall be noted opposite the record of the withdrawal permit in such manner as to show at all times the quantity of goods remaining in store.

Storekeepers will record all permits on the credit side of the account and return them daily to the collector.

They will also make daily return to the collector of goods received on Customs Form 6043-a or b, and of partial deliveries of permitted quantities on Customs Form 6043-c, or 5221. When the entire quantity covered by a permit is delivered, it will be reported by indorsement on the back of the permit.

Reports of receipts in class 6 warehouses should be forwarded monthly to the comptroller of customs for the district.

Reports of receipts and deliveries must be certified by the warehouseman as correct.

Art. 863. Inventories.—Inventories of merchandise in warehouse will be made whenever the collector has reason to believe that irregularities exist. Such inventories, and those taken when a warehouse is to be discontinued, must be checked with the collector's warehouse ledger record, as well as with the storekeeper's record of receipts and deliveries.

T. Ds. 38786, 37919 par. 37.

Art. 864. Record of unclaimed goods.—In the large ports Customs Form 5209 will be used for unclaimed goods by the storekeeper at the warehouse and also in the collector's office.

When unclaimed goods are claimed and entered for warehouse, the usual permit shall be sent to the storekeeper and the unclaimed-goods account credited accordingly.

MANUFACTURING WAREHOUSES.

Tariff act of 1922, sec. 311. R. S. 3433.

Art. 865. Character—Use.—Except for the manufacture of cigars, a bonded manufacturing warehouse shall consist of an entire building, which shall in no case be adjacent to a building in which any similar business is conducted. Such warehouses should be used solely and exclusively for the purpose for which they are bonded.

The general provisions pertaining to warehouses for the storage of bonded merchandise shall, so far as relevant, apply to bonded manufacturing warehouses.

T. Ds. 38547, 38637.

Art. 866. Application to establish.—Application for the establishment of such a warehouse shall be made to the collector of customs at the port where situated, describing the size, construction, and location of the premises, and setting forth the manufacture proposed to be carried on in the same, stating the kinds of materials intended to be stored and used therein.

Art. 867. Bond.—Similar proceedings shall be had as required for bonding a store of class 2, except that the

bond must be executed in triplicate in such penalty as the collector shall deem proper, and subject to the approval of the Secretary of the Treasury.

This bond will be sent to the collector of internal revenue of the district, who, after approving the same, will forward it to the collector of customs, to be transmitted by him to the Secretary of the Treasury for his approval. When approved, one copy will be retained in the department and two sent to the collector of customs, who will deliver one to the collector of internal revenue.

T. D. 18278.

Art. 868. Formulas.—Before commencing business the proprietor of any bonded manufacturing warehouse shall file with the department and with the collector of customs a list of all the articles intended to be manufactured in such warehouse, giving the specific names under which the articles are to be exported and under which they will be known to the trade, and stating the names of all the ingredients entering into the manufacture of such articles, with the quantities of such ingredients or materials as may be dutiable or taxable. Proprietors of such warehouses are required to conform strictly to the formulas filed with the bond, and in no instance shall an article be permitted to be manufactured in or withdrawn from the warehouse which does not contain all the ingredients and in the quantities specified in the formula for the manufacture of such article, or which contains any other article than those specified in the formula. Manufactured articles shall be marked with the trade name of the goods, and may be marked, in addition, with the formulas and with such insignia or name as may be indicated or desired by the purchaser, provided such additional marking shall in no manner conflict with the requirements of the formula or afford opportunity to mislead purchasers.

T. D. 21799.

Art. 869. Storage of dutiable or taxable goods.—All bonded manufacturing warehouses shall have a portion thereof separated from the remainder of the premises and secured by customs locks, to be used exclusively for the storage and keeping of all imported merchandise and of domestic spirits, or other materials subject to internal-revenue tax, transferred into such warehouse for manufacture. A like compartment will be provided, which shall be used exclusively for the storage and keeping of merchandise or articles manufactured.

Art. 870. Access—Samples.—The premises shall be so secured as to prevent any person from having access thereto in the absence of the storekeeper in charge, and the goods stored therein shall be so arranged as to give all practicable convenience to such officer making the required examination or taking samples for analysis, as hereinafter provided.

Art. 871. Conveyance and transfer of materials.—Materials used in the manufacture of goods and packages, coverings, vessels, brands, and labels used in putting up the same, except any unusual article or form designed for use otherwise than in the bona fide transportation of the merchandise, may be conveyed without the payment of revenue tax or duty into any bonded manufacturing warehouse. Imported goods may be transferred, without the payment of duty, from a bonded warehouse into a bonded manufacturing warehouse; but this privilege shall not be held to apply to implements, machinery, or apparatus to be used in the construction or repair of a bonded manufacturing warehouse or for the conduct of the business carried on therein.

T. D. 36748. **Art. 872. Transfer from vessel to warehouse.**—Materials and articles imported for use in a manufacturing bonded warehouse may be entered for transfer direct from the importing vessel to a bonded manufacturing warehouse of class 6 without appraisement or payment of duty.

The entry shall be on Customs Form 7521.

Art. 873. Transportation—Rewarehousing.—When imported dutiable articles or materials intended for use in a bonded manufacturing warehouse are withdrawn from warehouse at one port and transported in bond to another port where such manufacturing warehouse is located, the same will be taken possession of by the collector and rewarehoused.

The place of landing may be designated, as a constructive warehouse when practicable if the merchandise is to be immediately transferred to the manufacturing warehouse.

T. D. 38536. **Art. 874. Application to transfer.**—Application for transfer of such dutiable articles and materials from bonded warehouse or constructive warehouse to bonded manufacturing warehouse must be made by the proprietor in duplicate, under oath, to the collector of customs on Customs Form 7506.

T. D. 38536. **Art. 875. Withdrawal for transfer.**—On receipt of such application and approval by the collector a withdrawal

entry in duplicate will be required for transfer to such bonded manufacturing warehouse on Customs Form 7506.

Art. 876. Manufacturer's bond—Transfer.—The proprietor will be required to give bond, on Customs Form 7571, before any merchandise covered by a withdrawal entry is transferred to a bonded manufacturing warehouse. T. Ds. 18868, 23127, 38780.

Customs Form 7571 will not be required if a general bond on Customs Form 3583 is given.

Art. 877. Cancellation of bond.—The bond given on Customs Form 7571 may be canceled on proof furnished to the collector that the goods have all been manufactured and exported in the manner required by law and by the regulations of the Secretary of the Treasury. T. Ds. 16792, 38780.

Art. 878. Transfer order.—Upon the execution of the bond and completion of the withdrawal entry, the merchandise described therein may be transferred to the bonded manufacturing warehouse. A transfer order will be issued for that purpose on Customs Form 7506. T. D. 38536.

Art. 879. Transfer—Permit to receive.—The transfer of merchandise to a bonded manufacturing warehouse will be at the risk and expense of the applicant and under customs supervision. A permit to receive the merchandise into such warehouse will be issued on Customs Form 7506 in duplicate. T. D. 38536.

Art. 880. Free materials—Application to receive.—The proprietor of a bonded manufacturing warehouse may, upon application to and approval by the collector of customs, receive therein any merchandise, except imported dutiable merchandise and domestic merchandise subject to internal-revenue tax, for the use in the manufacture of any articles permitted to be therein manufactured. The application and permit shall be in duplicate in the following form, one copy to be filed with the collector and the other with the storekeeper in charge of the warehouse:

Application to receive free materials.

PORT of ——, ——, ——.

To the collector of customs:

Application is hereby made to receive into the bonded manufacturing warehouse known as ——, situated at ——, the following-described articles and materials, viz:

Marks.	Nos.	Description.	Quantity.	Value.

CUSTOMHOUSE,
PORT of ———, ———.

To the storekeeper in charge of bonded manufacturing warehouse known as ———, situated at ———:

The above-described articles and materials are hereby permitted to be received into the warehouse in your charge, to be used therein for the preparation and putting up and export of manufactured articles as provided by law.

———,
Collector.

T. D. 38780.

Art. 881. Transfer of domestic spirits.—For the transfer of domestic spirits from an internal-revenue bonded warehouse to a bonded manufacturing warehouse, see Internal Revenue Regulations 29, of January 1, 1909, as amended August 18, 1914. When such transfer is made, a bond on Customs Form 7571 will be required.

Tariff Act of 1922, secs. 309 and 311.

Art. 882. Withdrawal for exportation of articles manufactured in bond.—Except cigars manufactured in bond, and supplies for vessels of the United States, or vessels of war of any nation in ports of the United States, which may reciprocate such privileges toward vessels of war of the United States in its ports, no articles or materials received into a bonded manufacturing warehouse shall be withdrawn or removed therefrom, except for direct shipment and exportation or for transportation and immediate exportation in bond to foreign countries, or to the Philippine Islands, under the supervision of a customs officer.

T. D. 18364.

Coverings not subject to duty or internal-revenue tax are not "articles or materials" within the meaning of the law, and may be removed from the warehouse under customs supervision.

Tariff Act of 1922, sec. 311. T. Ds. 30458, 30516.

Art. 883. Withdrawal of waste or by-products for consumption.—Waste or by-products, including waste derived from cleaning rice, may be withdrawn for consumption upon the filing of a modified withdrawal entry describing in detail the by-product and the imported material from which produced. Such waste or by-product shall be appraised at its wholesale value in the principal markets of the country from which the material was imported at the time of the withdrawal of such by-products. Duty will be assessed at the rates provided for by the tariff act in force at the time of withdrawal. Upon payment of the duty the withdrawal delivery permit will be issued for delivery and a proper credit given upon the manufacturer's bond.

T. D. 38536.

Art. 884. Direct exportation—Withdrawal for.—An export withdrawal signed by the proprietor of the warehouse will be required for merchandise for direct exportation on Customs Form 7523.

Art. 885. Transfer to bonded warehouse for exportation.—Articles manufactured under these regulations may be withdrawn for transportation and delivery into any bonded warehouse or the terminal of the bonded carrier at an exterior port for the sole purpose of immediate exportation.

Art. 886. Bonded routes to be indicated—Consignment to collector.—If the goods are withdrawn for transportation and delivery into any bonded warehouse at an exterior port the withdrawal and bond must describe the bonded route and the name of the exterior port, and must show that the goods are to be deposited in customs bonded warehouse for immediate export only. The goods must be consigned in the entry to the collector of customs at the exterior port for deposit in warehouse, class 3, and must be marked: "Port of (place of manufacture)," "In bond for (name of exterior port)," "For immediate export only."

In the case of withdrawal for immediate export of manufactured goods transported and delivered into a customs bonded warehouse at an exterior port, the same regulations will be observed as in case of direct export of such goods from bonded manufacturing warehouse, except that the withdrawal and bond must describe the facts of such transportation and delivery into the customs bonded warehouse at the exterior port.

When goods are withdrawn for transportation and exportation by other than the manufacturer, authority must be given for such withdrawal on the face of the withdrawal entry.

If the merchandise be withdrawn at the exterior port for exportation by other than the party by whom brought into that port, authority will be required in the same form as at the port of manufacture.

Tariff act of 1922, secs. 309, 311.

Art. 887. Transportation and exportation.—If the goods are to be exported via another port in the United States for immediate shipment by sea, or for lading on board a vessel of the United States, or vessel of war of a foreign nation which may reciprocate the privilege, as supplies, the withdrawal must describe the bonded route and give the name of vessel and foreign port of destination. The

goods must be consigned to the care of the collector, and be laden on the exporting vessel under customs supervision, and a certificate of lading issued and transmitted to the collector of the port where the goods were manufactured.

In all cases of withdrawal other than for direct export the form of verification of the withdrawal and of the permit to storekeeper will be modified to correspond with the facts of shipment as shown on the withdrawal.

If the goods are withdrawn for export to Canada or Mexico via a frontier port, the withdrawal must name the bonded route, the frontier port, and the port or place of final destination. In such cases the goods will be consigned to the agent of the railroad or to a special consignee in care of the collector at the frontier port.

T. D. 38838. **Art. 888. Permit—Lading.**—The withdrawal entry having been completed and export bond given, a permit will be issued to the storekeeper on Customs Form 7523.

The withdrawal entry will be transmitted to the shipping officer with instructions in the following form:

CUSTOMHOUSE, ——, ——.

To the shipping officer:

You will direct an inspector of the customs to examine the goods described in the within withdrawal, and if found to agree exactly therewith to superintend the lading thereof on board (name of vessel) for exportation to ——, and when such lading is completed to make due return thereof.

——— ———,
Collector.

The shipping officer under whose supervision the goods are laden will make report in the following form, noting thereon any merchandise described in the entry which has not been laden. Any merchandise received by the shipping officer and not laden on board the export vessel will be sent to the general-order warehouse and so noted in his return, unless otherwise directed by the collector:

PORT OF ——, ——.

I have examined the goods described in the within entry, and finding them to agree therewith they were laden under my supervision on board ——, ——, master, for ——.

——— ———,
Inspector.

T. Ds. 17301, 38387. **Art. 889. Proof of exportation.**—The collector may accept as proof of exportation the bill of lading, specification of the merchandise on the outward manifest of the exporting vessel, the certificate of lading, and record of clearance of the vessel.

Where shortage occurs either in the number of packages or the contents of a package, a report thereof shall be made on Customs Form 3861, in accordance with the provisions of T. D. 32280, and without reference to the department, the proprietor of the bonded manufacturing warehouse shall be required to pay the duties and internal-revenue taxes, if any, on the merchandise short delivered. The duties shall be accounted for in the usual manner and the internal-revenue taxes shall be transmitted to the collector of internal revenue for the district in which the bonded manufacturing warehouse is located.

T. Ds. 16792, 38780. **Art. 890. Cancellation of manufacturer's bond—Domestic spirits.**—The bond given by the manufacturer on the deposit of domestic spirits in such bonded manufacturing warehouse on Customs Form 7571 may be canceled upon the proofs of exportation set forth in the preceding article and upon filing with the collector a statement, verified by oath of the proprietor of the warehouse and certified to by the storekeeper and the foreman or chemist of the manufactory, showing the date and number of the bond, the number of packages of spirits used, the marks and numbers, the number of wine, proof, and taxable gallons, the degree of proof, and the articles into which the same were manufactured.

CIGAR-MANUFACTURING WAREHOUSES.

Tariff act of 1922, sec. 311. **Art. 891. Manufacture and withdrawal for consumption.**—Imported tobacco from any one country after being entered for warehousing may be transferred direct from the importing vessel or from bonded warehouse of class 3 into bonded manufacturing warehouses established in accordance with the law and regulations governing warehouses of class 6 and stored in separate compartments therein under customs locks pending its withdrawal for use in the manufacture of cigars. Before any such tobacco may be transferred to the manufacturing department in such premises for use in the manufacture of cigars it must be withdrawn in original packages and duty paid thereon in the same manner and under the same regulations as govern withdrawal of merchandise for consumption from warehouses of class 3.

Cigars manufactured in whole of tobacco imported from any one country may be manufactured in such bonded manufacturing warehouses for home consumption and removed therefrom only after internal-revenue

stamps and the caution notice and customs stamps shall have been affixed to each box containing such cigars.

T. D. 34580, p. 1082. A record of all tobacco received in bonded manufacturing warehouses and delivered from compartments to the manufacturing department will be kept on Customs Form 3595.

Cigars may also be exported from bonded manufacturing warehouses without payment of duty or internal-revenue tax under the laws and regulations governing the withdrawal of merchandise from warehouses of class 6.

T. D. 35186. Cigars, cheroots, cigarettes, and smoking and plug tobaccos manufactured in bonded manufacturing warehouses may be withdrawn for exportation by registered parcel post, provided the parcel containing them is inspected and mailed under the supervision of a customs officer, and the receipt therefor delivered to the customs officer for filing at the customhouse with his return of the inspection. When withdrawn for exportation to countries with which the United States has parcel-post conventions, but which can not be dispatched under registration, customs officers may accept the prescribed "certificate of mailing" in lieu of the registry receipt, the certificate of mailing to be delivered to the customs officer for filing at the customhouse with his return of the inspection.

T. D. 36037.

A waiver of the right to withdraw such parcels from the mails shall be indorsed on each parcel and signed by the party in whose name the receipt is made, and the inspector in making his return shall state that such waiver was so made.

When the amount of duty involved is less than $25 no evidence of landing abroad will be required. When, however, the amount of duty is $25 or more, there shall be filed either the receipt of the foreign addressee or a certificate from the postal authorities in this country to the effect that notice has been received from the foreign postal authorities that the package was received at destination and delivered to the addressee.

Parcels containing cigars, cheroots, and cigarettes will not be accepted by the postal officials unless they conform to the dimensions and weight prescribed by the Postal Laws and Regulations, nor will parcels be accepted for dispatch to countries to which tobacco is prohibited transmission through the mails.

Art. 892. Customs cigar stamps.—Before removal of the cigars from the bonded premises there must be affixed to each box thereof the stamp provided by the Government indicating their character according to the method of manufacture, origin of tobacco, place of manufacture, and that they were manufactured in bond. These stamps will be sold to manufacturers by collectors of customs at the rate of $1 per thousand, and the proceeds deposited to the credit of the Treasurer of the United States and accounted for as miscellaneous receipts on account of "Sale of cigar stamps." T. D. 34580, p. 1081; Ds. 34049; 34815, 34923, 35563.

A record of stamps and shipments will be kept on Customs Form 3593.

Art. 893. Cancellation of customs and internal-revenue stamps.—Before removal of the cigars from the bonded premises both the customs and internal-revenue stamps must be canceled in a legible manner by means of a rubber stamp or by perforation, showing the name of the manufacturer, the place where the factory is located, and the date of cancellation. T. D. 34454.

Art. 894. Caution notice.—Each box of such cigars before removal must have affixed thereto, either by branding or by use of a paper label, a caution notice in the following form: T. D. 34454.

Made in No. ———, customs bonded manufacturing warehouse, class 6. T. D. 36187.

NOTICE.—The manufacturer of the cigars herein contained has complied with all the requirements of law. Every person is cautioned not to use either this box for cigars again or the stamp thereon again, nor to remove the contents of this box without destroying said stamp, under the penalties provided by law in such cases.

Art. 895. Transfer of scraps, cuttings, and clippings of tobacco.—Proprietors of premises bonded for the manufacture of cigars may remove therefrom scraps, cuttings, and clippings of tobacco produced in the premises for transfer to cigar or tobacco manufacturers operating under the internal-revenue laws. Such proprietors will be required to keep a record of each transfer of scraps, cuttings, and clippings, and application for permission for such transfer shall be in the following form: T. D. 34204.

Application and permit for transfer of scraps, cuttings, and clippings.

PORT OF
———, *192—.*

THE COLLECTOR OF CUSTOMS,
———.

SIR: Application is hereby made to transfer ——— pounds of scraps, cuttings, and clippings of tobacco upon which duty has been paid

from our bonded manufacturing warehouse, class 6, to ——, factory No. ——, district ——, State of ——.

——— ———,
Proprietor of Bonded Manufacturing Warehouse, Class 6.

PORT OF ——,
——, *192*—.

The above application is hereby granted. The storekeeper will deliver material stated and make his return below.

——— ———,
Collector.

The application having been approved, the United States storekeeper located at the bonded cigar manufacturing warehouse will certify to the quantity of such scraps, cuttings, or clippings of tobacco delivered by him for transfer to the factory designated in the application on the following form:

PORT OF ——,
——, *192*—.

I hereby certify that ——— pounds of scraps, cuttings, and clippings of tobacco, upon which duty has been paid, have been delivered by me from the bonded manufacturing warehouse, class 6, of ——, for transfer to ——.

——— ———,
United States Storekeeper.

The collector of customs will thereupon notify the collector of internal revenue of the district in which the factory is located on the following form that permission for such transfer has been granted:

DISTRICT of ——,
PORT of ——,
——, *192*—.

To the COLLECTOR of INTERNAL REVENUE.

SIR: Permission has been granted the ——— ———, bonded manufacturing warehouse of class 6, located at ——, to transfer ——— pounds of scraps, cuttings, and clippings of tobacco to factory No. ——— district of ——, owned by ——, ——.

——— ———,
Collector of Customs.

SMELTING AND REFINING WAREHOUSES.

Art. 896. Application to establish—Bond.—Application for the establishment of works of manufacturers engaged in the smelting or refining, or both, of ores and crude metals in bond to be known as a warehouse of class 7, must be made by the manufacturer thereof, through the collector of the district in which such works are situated, giving the location of the premises and setting forth the work proposed to be carried on therein. Tariff act of 1922, sec. 312. T. D. 41494.

The same procedure will be followed as that required for bonding a warehouse of class 2 and the bond will be on Customs Form 3583.

Manufacturers may give a general bond covering such of their plants as are designated bonded smelting or bonded smelting and refining warehouses, which bond shall also be conditioned for the performance of all the requirements of law or regulations governing such smelting or refining in bond and shall be in lieu of the several bonds now required of such manufacturers under existing law or regulations. Said bond shall remain on file in the Treasury Department and a copy thereof shall be forwarded to the collector of customs of each district in which the manufacturer seeks to conduct business. The penalty of all such bonds will be fixed by the Secretary of the Treasury. T. D. 40651, 41021.

Art. 897. Renewal of bond.—The manufacturer shall on 10 days' notice from the collector be required to renew his bond, and if he fail to do so no further permits shall be granted for removal or transfer to such warehouse of ores or crude metals. The warehouse may be discontinued at any time in the discretion of the Secretary of the Treasury.

Art. 898. Discontinuance.—The manufacturer may relinquish the business at any time on application to the collector and approval by the Secretary of the Treasury, on compliance with directions of the collector in respect to such articles and merchandise as may be found remaining in the warehouse.

Art. 899. Additions or deductions of bonded premises.—The manufacturer may also upon application to the Secretary of the Treasury, through the collector of the

district in which the plant is located, be permitted to add or take from the list of bonded premises covered by the general bond.

T. D. 37775. **Art. 900. Entry for warehouse and transportation.**—Upon the importation of ores or metals in a crude form at any seaboard or frontier port of the United States intended for a bonded smelting or refining warehouse situated at some other port of entry, they may be entered at the port of first arrival on a "constructive warehouse and I. T. without appraisement entry," the words "constructive warehouse" being noted immediately above the title of the entry. When the carrier's bond on Customs Form 3587 or the manufacturer's general bond has been filed the usual procedure follows, as in the case of I. T. shipments. No statistical copy will be required at port of first arrival.

T. D. 40651. **Art. 901. Procedure at destination.**—Upon the arrival of imported ores or crude metals in any form for the purpose of being smelted or refined, or both, at a port where a bonded smelting or refining warehouse is established, they shall be entered for warehouse. The entry having been executed and the bond on Customs Form 7555 or copy of the general bond filed, the collector will issue a permit to the inspector to send such ores or metals from the importing vessel or other conveyance by designated bonded carts, drays, or lighters to the smelting and refining warehouse named in entry. If the ores or metals are transported by conveyance not owned or controlled by the manufacturer any loss therefrom will be chargeable against the carrier's bond.

A statistical copy of the entry should be forwarded to the Section of Customs Statistics, New York, N. Y., as provided in T. D. 39828.

U. S. v. Consolidated Kansas City Smelt. & Ref'g. Co. (8 Ct. Cust. Appeals, 406; T. D. 37065). **Art. 902. Bonded ores or metals to be kept separate from nonbonded—Sampling and assaying of ores.**—Bonded ores or metals shall, until after they have been sampled and weighed, be kept separate and distinct from nonbonded material.

Upon receipt of ores or similar merchandise in the bonded warehouse the storekeeper or officer assigned to that duty shall immediately, after weighing, obtain proper and adequate samples from those taken for commercial purposes, and in accordance with the commercial method at the plant. The samples so obtained shall be

forwarded to the Government chemist for commercial assay which shall be the wet assay with a deduction of 1½ units.

Art. 903. Allowance for moisture.—Allowance shall be made for moisture in the imported ores or similar merchandise and such allowance shall be determined by the storekeeper or Government chemist when present at the plant. The moisture sample of the ore, which should be representative, that is, taken from different parts of an importation, shall be weighed in the condition as imported immediately after the importation itself has been weighed. The sample shall then be crushed to nut size, thoroughly dried out by heat, and reweighed. The difference between the two weights shall be the percentage of moisture allowed on importation.

Art. 904. Sampling and assaying of crude metals.—In the case of crude metals, bullion, or similar merchandise, every tenth bar from an importation shall be set aside for sampling. Five bars from those so selected shall be laid parallel and each bar sawed through, beginning on the outside of the first bar and going diagonally across to the outside of the fifth bar, the middle bar to be sawed exactly in the center; this process to be repeated until the entire 10 per cent so selected has been sawed through. The result of these sawing operations will then be quartered down in the manner prescribed for the sampling of ores. T. D. 40564.

If the importations at any smelting or refining warehouse are sufficient to justify it, and the manufacturers make application therefor, a Government chemist will be stationed at such warehouse at the expense of the manufacturer.

SMELTING AND REFINING OF LEAD.

Art. 905. Allowance for wastage—Withdrawal for consumption.—The allowance to be made for wastage in smelting and refining of imported lead ores and bullion will be ascertained and fixed by the Secretary of the Treasury for each smelting warehouse, and for each refining warehouse, and for each combined smelting and refining warehouse. An amount of lead equal to the lead contained in the imported ore or crude metal, as ascertained by commercial assay, made by the Government chemist, less the wastage allowance, shall constitute the quantity of lead which must be either exported, transferred to a Tariff act of 1922, sec. 312. Pars. 392, 393. T. Ds. 35706, 35885, 38367.

bonded manufacturing warehouse or to a bonded customs warehouse, in order to secure the cancellation of the charge made against the warehouse or rewarehouse ledger entry under the bond. Upon the withdrawal for consumption of lead so smelted or refined, or both, duty shall be collected upon the dutiable contents of the quantity of ores or crude metals in their condition as imported, from which said lead was produced, and without allowance for wastage or for dutiable zinc or other dutiable metals entirely lost in the smelting or refining, or both.

From time to time, at the discretion of the chief officer of customs, an assay shall be made of refined lead by taking from an individual lot or charge a representative sample. Antimonial lead shall be sampled by taking a dip sample from each round or charge.

Art. 906. Manufacturers' statements.—Manufacturers engaged in smelting or refining, or both, shall immediately notify the collector of the district in which located of any material change in the character of the ore or base bullion, smelted or refined, or both, and of any change in the methods of smelting or refining, or both; and shall file with the collector an annual statement, in duplicate, not later than 60 days after the termination of the manufacturers' fiscal year. Such annual statement shall show, among other things, the quantities of ore and bullion on hand at the beginning of the period covered by the statement, and the lead contents thereof; quantities of ore and bullion received during that period, and the lead contents thereof; total ore and bullion to be accounted for, and the lead contents thereof; quantities of ore and bullion on hand at the end of the period, and the lead contents thereof; quantities of ore and base bullion worked during the period, and the lead contents thereof; intermediary products on hand at the beginning and end of the period, and the lead contents thereof; net gain or loss in intermediary products as a result at the end of the period, and the lead contents thereof; net quantities of ore and base bullion worked during the period, and the lead contents thereof to be accounted for in metals or wastage; quantities and kinds of metal produced in the plant on hand at the end of the period, and the lead contents thereof; total quantities of metal produced during the period, and the lead contents thereof, and the wastage. If there is a gain in the intermediary

products, the amount should be subtracted from the total ore and base bullion. If there is a loss, the amount should be added to the total ore and base bullion.

The original copy of the annual statement should be forwarded promptly to the Secretary of the Treasury, who will establish the wastage allowance.

Complete smelting and refining records shall be kept from which said annual statement shall be prepared.

Art. 907. Withdrawal for direct exportation.—For a direct exportation of the smelted or refined lead, from a seaboard or frontier port, there shall be filed an export entry in triplicate and permit with the collector of customs, who will credit the warehouse ledger account with an amount of lead equal to the quantity of lead to be exported, plus the wastage established for the particular plant from which withdrawal is made, together with dutiable zinc or other dutiable metal entirely lost in smelting or refining, or both. The same procedure will then be followed as in the exportation of other merchandise.

Art. 908. Exportation from another port.—For the exportation of such lead, via some other port in the United States, there shall be filed with the collector of customs where the bonded establishment is located a T. and E. entry in quadruplicate with permit. The same procedure as outlined in the preceding paragraph with respect to the credit on the warehouse ledger account shall be followed, after which the merchandise may be forwarded for exportation and exported in the same manner as merchandise under T. and E. entry.

Art. 909. Withdrawal for transfer to bonded customs warehouse or bonded manufacturing warehouse at the same port.—Such transfers will be at the risk and expense of the applicant, and the general regulations governing the transfer of bonded merchandise from one warehouse to another in the same district, or the transfer of imported materials from bonded warehouse to bonded manufacturing warehouse will be followed as far as practicable. T. Ds. 37246, 38780.

On the transfer of the lead to a bonded customs warehouse the duties shall be continued at the full amount charged on the imported ores or crude metals; that is, on a quantity of lead of the same kind as imported, equal to the quantity of lead transferred, plus the wastage,

together with any dutiable zinc or other dutiable metal charged on entry, but on the transfer of the lead to a bonded manufacturing warehouse the duties shall be carried forward in the bonded manufacturing warehouse account computed only on a quantity of lead of the same kind as imported, equal to the quantity of lead transferred.

T. Ds. 37246, 38780.

Art. 910. Withdrawal of refined lead for transportation to bonded customs warehouse or bonded manufacturing warehouse at another port.—The same procedure will be followed as upon the withdrawal of merchandise from warehouse for transportation in bond. The transportation entry shall show the quantity of refined lead withdrawn, the wastage, the lead contents of the imported material from which said refined lead was produced together with any dutiable metal charged on entry, and the credit on the warehouse ledger shall be in a similar manner.

Upon arrival of the lead at the port of destination it shall be entered for rewarehouse in the same manner as other merchandise for rewarehouse, and the charge on the ledger account shall be as described on the transportation withdrawal entry.

The place of landing may be designated as a constructive warehouse, when practicable, if the merchandise is to be immediately transferred to the manufacturing warehouse.

The same procedure will then be followed as in the case of other merchandise to be transferred from bonded customs warehouse to bonded manufacturing warehouse at the same port.

T. D. 37246.

Art. 911. Smelting and refining in separate establishments.—In case the operation of smelting and refining is not carried on in the same establishments the smelted and unrefined products or bullion obtained from the smelting of lead ores in a bonded smelting warehouse may be removed therefrom for shipment to a bonded refining warehouse located either at the same or at another port. If the bonded refining warehouse is located at the same port the procedure outlined in article 909 will be followed.

Where the transfer is to a bonded refining warehouse located at another port the procedure outlined in article 910 will be followed. In such cases the smelted and

unrefined products or bullion obtained from the smelting of the imported lead ore shall, before withdrawal, be weighed, sampled, and assayed in the manner outlined for the sampling of antimonial lead.

The withdrawal entry for transportation shall show the gross weight of the bullion withdrawn, the lead contained therein, the lead contents of the imported ore from which said lead bullion was produced; that is, the weight of the lead contained in the bullion plus the wastage together with any dutiable metal at time of entry, and the duties for which credit on warehouse ledger account is given based on said amount of lead and other dutiable metal contained in the imported ore.

The rewarehouse entry covering the metal at the bonded refining warehouse to which the bullion is transferred shall be made out in accordance with the withdrawal entry for transportation covering the bullion, both as to the respective weights and duty.

Upon withdrawal for export of the refined lead from the bonded refining warehouse, the warehouse account of said refining warehouse charged with the dutiable lead and metal content of the imported ores at time of original importation shall be credited with the amount of refined lead so withdrawn plus the refining wastage prescribed for said refining warehouse plus the smelting wastage prescribed for the bonded smelting warehouse in which the bullion was produced, together with any dutiable metals entirely lost in the smelting or refining, or both. However, when the refined lead is withdrawn for consumption, duty shall be collected on the dutiable lead and other dutiable metal contents of the imported ore from which the bullion was produced, no allowance for either smelting or refining wastage being permitted, nor for dutiable metals entirely lost in the smelting or refining, or both.

Art. 912. Withdrawal of lead refined in part from imported base bullion and bullion produced from imported ores.—Upon withdrawal for exportation of lead from bonded warehouse engaged in refining, or both smelting and refining, part of which lead is obtained from imported base bullion and part from base bullion produced from smelting imported ores, warehouse account will be credited with the quantity of refined lead so withdrawn plus (1) wastage allowance for refining prescribed for that establishment, and (2) the wastage allowance prescribed for smelting for the establishment in which the imported

ores were smelted, together with the dutiable metals charged against the warehouse account at time of entry; but upon withdrawal for consumption of such lead no allowance will be made for wastage nor for dutiable metals entirely lost in the smelting or refining, or both.

Art. 913. Affidavits of manufacturers as to dutiable metals entirely lost.—In the foregoing regulations where reference is made to dutiable metals entirely lost in the smelting or refining, or both, such allowance shall be made only upon affidavit of the manufacturers furnished with their annual statement that no dutiable metals were recovered.

Art. 914. Withdrawal for exportation from one port to be credited on warehouse ledger account at another port.—Under the last proviso to section 312, tariff act of 1922, refined lead in pigs and refined lead in sheets in excess of that covered by open bonds may be exported from a bonded smelting or refining warehouse, and the credit thus established may be applied in cancellation of the charge against the warehouse ledger account in any other bonded smelting or refining warehouse, in an amount of lead equal to the lead so exported plus the wastage prescribed for the plant at which credit is to be applied.

On a direct exportation of such metal from a seaboard or frontier port the procedure outlined in article 907 will be followed, and on an exportation of such metals via some other port the procedure outlined in article 908 will govern. A certified copy of the export entry will be forwarded in all cases to the collector at the port where credit is to be applied, and an assay of the refined lead shall accompany such withdrawal.

T. D. 41021. Transfer may be made from one port of entry to another by transportation and rewarehouse entry executed in regular form without physical shipment of the metal. The proper credit and charge at various ports of entry thus being established, care should be exercised to see that enough lead is on hand to satisfy the new bond obligations. The wastages established for the smelting warehouse from which the original withdrawal was made shall govern and be the basis for allowance on exportation.

SMELTING OF ZINC IN BOND.

Art. 915. Application of lead regulations—Allowance for wastage.—The foregoing regulations as applied to lead in ores shall also apply to importations of zinc, manganese, and other dutiable metals in ore. In case the zinc or other dutiable metals are withdrawn for consumption, duty shall likewise be paid on the entire dutiable content of the imported ores; that is, on the full dutiable content of the imported ores without allowance for wastage and without allowance for the lead or other dutiable metals entirely lost in the smelting.

Art. 916. Recovery of lead, zinc, and other dutiable metals.—In case lead and one or more other dutiable metals are recovered in the smelting or refining process from the same ore or crude metals, separate account of the quantity of each metal so recovered shall be kept.

Art. 917. Entries, records, and accounts.—The entries, records, accounts, and other customs forms, required in connection with the smelting and refining of ores and crude metals in bond, shall be those prescribed for general use, as set forth elsewhere in these regulations.

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